GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3349
ANSWERED ON:15.04.2002
N.A.F.E.D.
N.N. KRISHNADAS

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government owes huge amount to NAFED for its procurement operations;

(b) if so, the details thereof; and

(c) the steps taken by the Government to release the dues to NAFED?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) to (c): No, Sir. The Government have arranged cash credit limits to NAFEDthrough Reserve Bank of India which are operated through the State Bank of India forprocurement operations under the Price Support Schemes.The rates of oilseeds have been ruling below their Minimum Support Price (MSP).The difference between the procurement price and the ruling market price is termed as irregularity amount by the State Bank of India.The irregularity amount as on 31.3.2002 as reported by State Bankof India is Rs.298.31 crore. This Department released Rs.340.55 crore to NAFEDduring 2001-02 for procurement operations under the Price Support Schemes. Remaining required funds will be released during 2002-2003 to NAFED.